



## *City Of Raleigh* *North Carolina*

July 22, 2011

**MEMO TO:** Public Works Committee

**SUBJECT:** July 26, 2011 Public Works Committee Meeting

- I. Item 09-49 Sewer Fee – 3132 Tryon road – Request for Waiver (7/5/11)**  
This item was referred to the Public Works Committee for further discussion during the July 5, 2011 City Council meeting. Attached is a report from staff. A representative from Public Utilities Department and the Public Works Department will be at the meeting to answer any questions.  
(Attachment 1)
- II. Item 09-50 Acreage/Nutrient Fees – 2012 Ann Avenue – Request for Waiver (7/19/11)**  
This item was referred to the Public Works Committee for further discussion during the July 19, 2011 City Council meeting. Attached is a report from staff. A representative from the Public Utilities Department will be at the meeting to answer any questions.  
(Attachment 2)

*Carl R. Dawson, Jr.*  
Carl R. Dawson, Jr., PE  
Public Works Director

## **PUBLIC WORKS COMMITTEE AGENDA**

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The Public Works Committee will meet on **Tuesday, July 26, 2011 at 5:00 P.M.**

**Location:** Room 201, City Council Chamber, Raleigh Municipal Building, 222 West Hargett Street, Avery C. Upchurch Municipal Complex, Raleigh, NC. For information call 996-3040 (City Clerk's Office) or 996-3030 (Public Works Department).

**All the following items are pending in Committee; however, only those items that are shown in bold print will be discussed during this meeting:**

- 09-11 Crosswalks – Durant Road; Perry Creek Road; Falls of Neuse Road (4/6/10)
- I. 09-49 Sewer Fee – 3132 Tryon Road – Request for Waiver (7/5/11)**

The following items were referred from the July 19, 2011 City Council meeting:

- II. 09-50 Acreage/Nutrient Fees – 2012 Ann Avenue – Request for Waiver (7/19/11)**

\*\*\* Council Chamber is Assistive Listening System equipped. Deaf and hearing impaired individuals needing interpreter services should provide 48-hour notice by calling 996-3100 (voice) and 996-3107 (TDD). \*\*\*

**NOTE:** The agenda backup will be available after 4:00 p.m. on the Friday preceding the meeting. CTRL + Click on the link below to access the City Council Committees page on the City of Raleigh Web site.

**<http://www.raleighnc.gov/home/content/BoardsCommissions/Articles/CouncilCommitteeAgendas.html>**

**Powell, Donetta**

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**From:** Jackson, Donna  
**Sent:** Friday, July 22, 2011 12:14 PM  
**To:** Powell, Donetta  
**Subject:** FW: Public Works Committee Agenda Item #09-49 Sewer Fee - 3132 Tryon Road - Request for Waiver  
**Attachments:** 3132 Tryon Rd Audit.xls; 3132 Tryon Rd.doc

I am sorry, I sent it to the wrong Powell.

**Donna S. Jackson, P.E.**

Assistant Public Utilities Director  
 3324 Lake Woodard Drive  
 (919)250-7824 work number  
 (919)250-2801 fax

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**From:** Jackson, Donna  
**Sent:** Friday, July 22, 2011 12:12 PM  
**To:** Dawson, Carl  
**Cc:** Carman, John; Allen, Russell; Fox, Dean; Powell, Lisa; Pittman, Greg; Williams, Bradford; Decker, Susan; Harrison, Neil  
**Subject:** Public Works Committee Agenda Item #09-49 Sewer Fee - 3132 Tryon Road - Request for Waiver

The subject agenda item was referred to the Public Works Committee from the July 5, 2011 Council meeting due to a request by the property owners for the City to forgive back sewer charges. Edward and Alyce Williams are the property owners for 3132 and 3315 Tryon Road. Due to the City of Raleigh Tryon Road widening project, the Williams septic field was impacted at 3132 Tryon Road and required that the Williams be connected to the public sanitary sewer. As part of the condemnation settlement for the two properties, the Williams were compensated over \$50,000 for the right-of-way, the fees for the connection to the water and sewer were paid including the assessments. At no time was it discussed by the staff in the City Real Estate Division or the Attorneys office that the Williams monthly sewer bill would be waived. Greg Pittman has indicated that during the right-of-way acquisition process, he explains that the City will handle the upfront cost of connection in the situations where wells and/or septic systems are damaged, but the property owners will be responsible for the monthly bill.

There were five other property owners in addition to the Williams whose septic systems were effected by this project, two of which called and initiated accounts at the time of connection in 2006. The Williams sewer account was not initiated in 2006 when they were connected. The water service at 3315 Tryon Road, rental property the Williams own, was initiated at the time of connection in 2006. Since the go-live of CC&B, Utility Billing staff has aggressively been trying to identify accounts that were not being billed. The Williams sewer only account was one of the accounts that found through this process. In June of this year, the Williams received a bill for \$1,592.59 which reflected back billing of 3 of the 5 years that they had received sewer service from the City of Raleigh. A letter and audit findings were sent to the Williams (attached) explaining the situation in early June. Due to the amount owed to the City, the letter includes information on an option to set up a payment plan. Utility Billing as not contacted at that time.

The Williams have requested that these back charges be waived. Staff is recommending not to waive these charges, but to work with the Williams to set-up a payment arrangement.

**Donna S. Jackson, P.E.**

Assistant Public Utilities Director  
 3324 Lake Woodard Drive  
 (919)250-7824 work number  
 (919)250-2801 fax

7/22/2011



*City Of Raleigh*  
*North Carolina*

June 7, 2011

Edward E Williams  
3132 Tryon Rd  
Raleigh NC 27603

RE: Account # 3907044260

Recently we discovered that you have not previously initiated service with the City of Raleigh Billing organization for your flat rate sewer service. We began providing these services to you on September 22, 2006. It is customary in these situations to bill for up to three years for this idle service. Your account has been back billed for the period of June 2008 to present at an outside City of Raleigh rate. Attached is an audit sheet that shows the adjustments made to your account that you will see on your next bill.

According to our records your property is attached to the City of Raleigh Sewer System. More information about this can be obtained by calling the Public Utilities Administration Department at (919) 857-4540.

We understand that this might pose a hardship on you, therefore if you would like to discuss payment options or have other questions regarding this matter please feel free to contact our Customer Service Department at 890-3245.

Regards,  
Utility Billing Services  
City of Raleigh

Edward E Williams	
3132 Tryon Rd	
Acct # 3907044260	

## **CITY OF RALEIGH-PUBLIC UTILITIES DEPARTMENT**

**Date:** 7/22/11  
**To:** Carl Dawson, PE, Public Works Director  
**Cc:** John Carman, Public Utilities Director  
**From:** Robert Massengill, P.E., Assistant Public Utilities Director  
**RE:** Public Works Committee – July 26, 2011 – 2012 Ann Ave.

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The Public Utilities Department received a request from the NCDENR/NC Superfund Section/Inactive Hazardous Sites Branch to waive the Acreage Fee and Nutrient Reduction Fee associated with the connection of 2012 Ann Avenue to the City of Raleigh water system.

In 2004, the City received a state grant to extend the City's water distribution system to serve the properties in the Beechwood Park neighborhood located off Barwell Road. Numerous wells in the neighborhood had been previously identified by NCDENR as being contaminated with Tetrachloroethene (dry cleaning solvent).

The City subsequently extended public water mains to provide service to the neighborhood properties. Water services were stubbed to each property, including 2012 Anne Ave. Upon completion of the project, the property owners were notified of the availability of public water service and the associated connection fees. The property owners were also informed that the connection fees were subject to annual adjustment. A copy of the November 1, 2004 notification letter is attached.

The grant funded the full cost of the water main extension and installation of the water services, thus no assessment fees or tap fees were applicable. The grant did not cover the cost of the other connection fees. The property owners were required to pay all applicable connection fees at the time of connection. The connections fees for the subject property at that time were as follows:

Acreage Fee	\$253
Meter Installation Fee	\$153
Plumbing Permit Fee	<u>\$ 65</u>
Total	\$471

The property owner, Ms. Katie Davis chose not to connect to the water system at that time.

The connection fees required for connection the City water system have increased since 2004, including the addition of the Water Nutrient Reduction fee. The current connection fees are as follows:

Acreage fee	\$326
Nutrient Reduction Fee	\$1,260
Meter Installation Fee	\$197
Plumbing Permit Fee	<u>\$74</u>
Total	\$1,857

According to NCDENR staff, the grant funding can be used to cover the costs directly related to providing water service to residences that qualify. They contend that the acreage fee and nutrient reduction fee are not directly related to providing water service and should not be paid by the grant funding.

City staff disagrees with NCDENR staff's interpretation. The Acreage and Nutrient fees are integral and directly related to providing quality water service to all customers. The acreage fees are used to fund the cost of oversized mains, which are needed to transfer drinking water from the Water Treatment Plants to neighborhood water distribution systems. The Nutrient Reduction Fee funds land acquisition in the water supply watersheds to protect water quality. The results of both fees benefit all customers.

Regardless of NCDENR's interpretation, the prevailing connection fees are required to be paid for all new connections to the system. Other property owners in the neighborhood who have connected have paid the connection fees prevailing at the time of their connection.

**Staff does not recommend waiving the connection fees.**

To: John Carman, Public Utilities Director  
City of Raleigh

From: Jack Butler, PE, Chief  
N. C. Superfund Section

This e-mail is a follow up to our conversation this morning concerning providing City water to the resident at the subject site. The costs of connecting this water service is being provided by the Bernard Allen Fund administered by the Inactive Hazardous Sites Branch of the N. C. Superfund Section.

The following is a summary of facts:

- Well located at 2012 Ann Ave, Raleigh has detection of Tetrachloroethene (PCE) @ 8.6ug/L which is over the MCL.
- Owner/resident is Katie Davis.
- Ms. Davis has been qualified for Bernard Allen Fund assistance.
- We have contacted the City of Raleigh Utilities Dept regarding connection fees. A grant from DENR covered construction costs for an area wide water main (PU-2003-8) including service stub to meter boxes but did not include connections from the residences to the meter nor the meter installation. Residents had the option to connect and pay certain required costs/fees such as:
  - Acreage Fee – Contribution to future treatment plant expansions
  - Meter Installation Fee – Covers material and installation costs of the meter
  - Plumbing Permit Fee – Application to construct the water service from the meter to the residence
- A new fee was later passed by City Council in July 2007 authorizing a Nutrient Reduction Fee for new service connections.
- Our office was informed the current fees are:
  - Acreage Fee: \$326
  - Nutrient Reduction Fee: \$1260
  - Meter Installation: \$197 (Bernard Allen Fund will pay this.)
  - Plumbing Application: \$73 (We will have plumber pay for this and include it as part of their services.)

As we discussed money from the Bernard Allen Fund can be used to cover the costs directly related to providing water service to residences that qualify. It is our interpretation that the Meter Installation Fee and the Plumbing Application Fee are directly related to providing water service to this specific household and can be paid for out of the Bernard Allen Fund. However, it is also our interpretation that the Acreage Fee and the Nutrient Reduction Fee are not related to providing water service to this specific household and should not be paid for out of the Bernard Allen Fund. We further understand that you do not agree with this interpretation.

Despite this disagreement in interpretation, our office respectfully requests that the Acreage Fee and the Nutrient Reduction Fee be waived to allow our office to pay for connections necessary to provide a safe drinking water source to the resident of 2012 Ann Ave.

Thank you for your assistance and consideration in this matter.



November 1, 2004

Ms. Katie Davis  
2012 Ann Ave  
Raleigh, NC 27610

Real Estate Tax ID: 16933

Re: Beechwood Park Area Water Connections

Dear Ms. Davis:

We are pleased to report that the City of Raleigh has received a grant from the North Carolina Department of Environment and Natural Resources covering the cost of the recent installation of water mains and services in your neighborhood. The total amount of the grant is being passed on to you and your neighbors in the form of reduced fees for connection to the new water mains. This letter is to provide you with the revised final connection details associated with your option to connect with the City water mains at your residence at 2012 Ann Ave., based upon the special arrangements approved by the City Council.

Upon receipt of this letter, you may go to the City Inspections Department Permit Office on the fourth floor of the Raleigh Municipal Building at 222 West Hargett Street to proceed with your connection process. This location is directly off the elevator. This connection is optional on your part. You may connect your property to the City water main now or at any time in the future.

Please keep in mind that this applies to the connection to the City water main only and does not address any possibility of connection to City sewer mains.

The following are the fees that are still applicable to the connection of your property to the City water main. Some of these fees were adjusted by the Raleigh City Council effective July 1, 2004 and apply to all new connections after that date.

Acresage Fee

\$253

Meter Installation Fee

\$153

Plumbing Permit Fee

\$65

All of these fees are subject to annual adjustment by the City Council.

At the time that you obtain your connection permit, you will need to tell the Inspections Department Permit the name of your plumber or obtain a permit if you plan to do the connection work on your lot yourself. It will also be helpful if you take this letter with you to the Inspections Department.

When you apply to the Inspections Department to connect to the water main, you will also be directed to the City Planning Department to complete an Annexation petition, as now required in all cases of properties outside the City limits connecting to City utilities. Completion of the Annexation Petition does not necessarily mean that you will be annexed by the City any sooner than would otherwise be the case.

Upon the completion of the work on your water service connection, you will need to apply to the City Finance Department Utility Billing Department on the first floor of the Raleigh Municipal Building to establish a service account, at which time a \$50 Account Initiation Fee is also due.

We have attempted in this letter to address all the details of each of the unique water connection situations in your community. Please be aware that different residents of your neighborhood received different versions of this letter based upon their specific conditions related to the water mains. If you have any questions, please feel free to contact Aaron Brower, Russel Talley or myself. Any of us may be reached at telephone number 857-4540.

Thanks.

Sincerely,

Jack W. Moyer  
Deputy Public Utilities Director

CC: City Clerk Gail Smith  
Public Utilities Director Dale Crisp  
System Operations Coordinator Donna Jackson  
Civil Engineer Aaron Brower  
Engineering Technician Russel Talley  
Assistant Revenue Collector Richard Epps  
Permit Office Supervisor Shiela McDaniel